

# **EXHIBIT 41**



## **Transcript of William Strein**

**Date:** December 12, 2016

**Case:** Corcoran, et al. -v- CVS Pharmacy, Inc.

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Transcript of William Strein  
Conducted on December 12, 2016

1 (1 to 4)

1 UNITED STATES DISTRICT COURT  
 2 NORTHERN DISTRICT OF CALIFORNIA  
 3 CHRISTOPHER CORCORAN, et al.,  
 4 Plaintiffs,  
 5 -against-  
 6 CVS PHARMACY, INC.,  
 7 Defendant.  
 8 Case No.: 3:15-cv-03504-YGR  
 9 -----X  
 10 101 Park Avenue  
 New York, New York  
 11 December 12, 2016  
 12 1:37 p.m.

13 DEPOSITION of WILLIAM STREIN, before  
 14 Sadie L. Herbert, a RPR and Notary Public  
 15 of the States of New York and New Jersey.

1 A P P E A R A N C E S: (Cont'd)  
 2  
 3 MORGAN LEWIS & BOCKIUS LLP  
 4 ON BEHALF OF WITNESS:  
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 8 Eric.sitarchuk@morganlewis.com

9  
 10  
 11  
 12 ALSO PRESENT:

13 CHARLES BOWMAN, Videographer  
 14 ALLISON STOLL, Express Scripts (via  
 15 telephonic conference)

17  
 18  
 19  
 20  
 21  
 22  
 23  
 24  
 25

2

4

1 A P P E A R A N C E S:

2  
 3 HAUSFELD

4 ON BEHALF OF PLAINTIFFS:

5 1700 K Street N.W.  
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 7 Washington, DC 20006  
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 12  
 13 WILLIAMS & CONNOLLY LLP

14 ON BEHALF OF DEFENDANT:

15 725 Twelfth Street, N.W.  
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1 ----- I N D E X -----  
 2 WITNESS EXAMINATION BY PAGE  
 3 WILLIAM STREIN MR. LEWIS 7, 152  
 4 MS. MAINIGI 144  
 5 MR. SITARCHUK 162

6  
 7 ----- DIRECTION NOT TO ANSWER -----  
 8  
 9 PAGE: 12 What did Allison say?  
 10 16 During the time you were first  
 11 contacted in May, up until the  
 12 time you signed the declaration,  
 13 did someone ask you if the CVS HSP  
 14 price was considered a cash price  
 15 during the time you were vice  
 16 president at Medco, from 2008 to  
 17 2012?

18 17 And did you go over any documents  
 19 on that call?  
 20  
 21

22 ----- E X H I B I T S -----  
 23 PLAINTIFF DESCRIPTION FOR I.D.  
 24 Exhibit 660 Subpoena 6

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30 (117 to 120)

	117		119
1	charging routinely the membership fee was -- you	1	Q Correct.
2	accepted it as good faith?	2	A <b>That's fairly universal.</b>
3	MS. MAINIGI: Objection.	3	Q Yes.
4	<b>A Yeah, I think the company believed that</b>	4	<b>A Yeah, I don't know of any.</b>
5	<b>if they attested as -- as themselves being a</b>	5	Q Now, you say at the bottom of your
6	<b>public company, that they would hold true to</b>	6	affidavit -- of your declaration in Paragraph 13
7	<b>their word.</b>	7	that you made another determination in addition
8	Q But you took their word for it?	8	to the one you made in Paragraph 9, and I'll
9	MR. SITARCHUK: Objection.	9	quote, you said, "Under this definition, Medco
10	MS. MAINIGI: Objection.	10	10 did not consider membership program prices to be
11	<b>A I didn't personally.</b>	11	11 applicable discounts to cash customers because
12	Q Medco took their word for it?	12	12 pharmacies with a membership program required
13	MS. MAINIGI: Objection.	13	13 customers to pay a membership fee before they
14	MR. SITARCHUK: Objection.	14	14 could access the program's special pricing."
15	<b>A I think Medco believed that it was</b>	15	Do you see that?
16	<b>being done, yes, it was --</b>	16	<b>A Yes, I do.</b>
17	Q Did Medco have any data, statistical	17	Q Now, the U&C definition in the manual
18	data verifying that CVS routinely, every year,	18	uses the term "applicable discounts"; correct?
19	collected membership fees from the members of	19	<b>A In -- in the 2009 to '12, yes.</b>
20	the HSP program?	20	Q But the manual doesn't say anything
21	MS. MAINIGI: Objection to form.	21	21 during that time frame about whether an
22	<b>A No, and we had no evidence to the</b>	22	22 applicable discount includes membership fee
23	<b>contrary.</b>	23	23 programs; correct?
24	Q Did you ask for the data from CVS?	24	<b>A I don't see it there, no.</b>
25	<b>A No.</b>	25	Q Is there any document at Medco that
	118		120
1	Q You didn't even ask for it?	1	documents the decision that applicable discounts
2	MR. SITARCHUK: Objection.	2	does not include membership fee programs?
3	<b>A I didn't ask for it, no.</b>	3	<b>A I'm not aware of any.</b>
4	Q Did anybody at Medco ever ask for it?	4	Q When you say in Paragraph 13, "...Medco
5	<b>A I do not know.</b>	5	did not consider membership program prices to be
6	MS. MAINIGI: Objection.	6	applicable discounts," what was the basis of
7	Q Do you have any idea -- well, who was	7	that decision?
8	in charge of finding out, when you made this	8	<b>A Again, it goes back to the fact that</b>
9	decision in Paragraph 9, whether the fee was	9	<b>the members -- the -- the pharmacy-based</b>
10	enforced?	10	<b>membership programs represented a subset of --</b>
11	<b>A I don't know that anybody was charged</b>	11	<b>11 of our beneficiaries and others that was</b>
12	<b>with that as part of their job description.</b>	12	<b>12 separate and distinct from the benefit that we</b>
13	Q Did anybody care?	13	<b>13 administered.</b>
14	MS. MAINIGI: Objection.	14	And if those members -- the pharmacy
15	MR. SITARCHUK: Objection.	15	members who happened to be our beneficiaries,
16	<b>A My impression from the discussions in</b>	16	16 not take advantage of that, that was their right
17	<b>the staff meeting is yes, people believed that</b>	17	17 to do so.
18	<b>this was part of the responsibility of these</b>	18	So it was a separate and distinct
19	<b>plans, when they say they're going to collect</b>	19	19 cohort, outside of our benefit plans that we
20	<b>the money, they do so.</b>	20	20 administered.
21	Q Other than believing CVS, did Medco	21	Q You understand that if the HSP price
22	take any action whatsoever to verify that the	22	22 was included in applicable discounts, that that
23	fee was routinely charged?	23	23 would drive down the U&C that CVS would have to
24	MS. MAINIGI: Objection.	24	24 report; correct?
25	<b>A Any action whatsoever?</b>	25	MS. MAINIGI: Objection.

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Conducted on December 12, 2016

42 (165 to 168)

165

1       2 STATE OF NEW YORK )

3                  ) ss:

4 COUNTY OF NEW YORK )

5

6       I, SADIE L. HERBERT, a Registered  
7 Professional Reporter and Notary Public, do  
8 hereby certify:

9       That WILLIAM STREIN the witness  
10 whose deposition is hereinbefore set forth, was  
11 duly sworn by me and that such deposition is a  
12 true record of the testimony given by such  
13 witness.

14       No witness read and sign was  
15 requested.

16       I further certify that I am not  
17 related to any of the parties to this action by  
18 blood or marriage; and that I am in no way  
19 interested in the outcome of this matter.

20       IN WITNESS WHEREOF, I have hereunto  
21 set my hand this 20th day of December 2016.

22       *Sadie Herbert*  
23

24 SADIE L. HERBERT